PwC Thailand Transparency Report 2019

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Message from the Chief Executive Officer

Chief Executive Officer and Country Senior Partner

Sira Intarakumthornchai

Over the past few years, we've been talking with clients, regulators and the general public about the unprecedented rate of change and how it's impacting business. What we're learning is that the changes are coming faster than expected, and that they're having a bigger impact on the audit profession than we first thought.

Growing regulatory scrutiny is at the top of most CEOs' minds, according to our latest global survey. Regulators are setting more and more rules while increasing attention on compliance. To minimise the impact of these changes, companies need to recognise the importance of their financial reporting and make it a priority.

For us, quality is an integral part of our licence to operate. There's no room for compromise. Quality is how we gain trust.

Over the next three years, new and updated auditing standards will continue to be released. These standards set out higher requirements for the audit profession, and they might lead to substantial changes in how we perform our work in the future.

We'll need to reassess how we prepare our workforce and deploy the righttechnology platform in order to manage our own response to address these changes and better support our engagement teams. In addition, we need to ensure that those charged with governance at our clients are aware that these changes are coming.

The new Personal Data Protection Act (PDPA) has been effective, with a one-year grace period, since 28 May 2019. This new law has implications for audit firms not only in terms of policies, systems and processes, but also in the way the auditors collate, document and maintain audit evidence containing personal data.

We're on board with these changes. We know that aligning with reporting standards builds trust with stakeholders – and stakeholder trust is key to success in business. We've aligned our firm with the changes, and our Assurance services help businesses align with them as well. We know this will help them to reduce uncertainty and ensure they have trustworthy information, which is essential to quality decision making.

Within the firm, technology is playing an increasing role in building the efficiency of our quality monitoring. Dashboards from our audit software give leaders a real-time and accessible snapshot of the status of audits, making it easier to monitor and take prompt action on any engagement that might have a quality issue.

We want to be open with you about the way we do our audits, how we train our people, and how we apply professional scepticism and make sound judgements. We want to share with you how we use technology to boost effectiveness and efficiency, and how it allowsus to respond to your needs better.

I hope this report gives you insight into our systems and processes, which are designed to ensure the quality of services we provide you. They demonstrate our commitment to our purpose: to build trust in society and solve important problems.

Our purpose

At PwC, our purpose is to build trust in society and solve important problems. We're a network of firms in 158 countries with more than

250,000 people

who are committed to delivering quality in assurance, advisory and tax services.

1

Our network and PwC Thailand

"We provide industry-focused assurance, tax and advisory services to create value for our clients."

Our network and PwC Thailand

1.1 The PwC network

PwC is the brand under which the member firms of PricewaterhouseCoopers International Limited (PwCIL) operate and provide professional services. As network members, PwC firms are able to share knowledge, skills andresources to provide services that are tailored to their clients' situationsand objectives.

The PwC network allows us to leverage the vast knowledge of member firms around the globe to provide greater value to our clients.

This membership helps PwC firms to work together to provide high-quality services on a global scale to international and local clients, while retaining the advantages of being local businesses – including being knowledgeable about local laws, regulations, standards, and practices.

PwC firms use the PwC name and draw on the resources and methodologies of the PwC network. In return, PwC firms are required to comply with common policies and the standards of the PwC network.

At PwC, our purpose is to build trust in society and solve important problems. We provide industry-focused assurance, tax and advisory services to create value for our clients.

people in 158 countries in firms across the PwC network share their thinking, experience and solutions to develop fresh perspectives and practical advice.

We believe that sound governance and transparency form the bedrock of leadership. We're committed to serving with integrity and good sense.

1.2 PwC Thailand and our Assurance practice

PwC has had a presence in Thailand for more than 60 years. Our clients include some of the largest Thai and multinational companies, and government institutions. Our close interaction with both economic and state bodies allows us to keep up with the fast-changing business environment. Some 2,000 people work at PwC Thailand.

PwC's Assurance practice works with organisations to improve their corporate reporting and help them comply with regulatory requirements and contractual agreements.

Our audit approach is based on our extensive industry knowledge. It's tailored to suit the size and nature of our clients' organisations. Our deep understanding of regulations and legislation means we can help clients with complex reporting issues.

1.2.1 Leadership and governance structure

Our leadership structure helps us to maintain our commitment to quality in every facet of our business. See Figure 1 for the structure.

Our Risk & Quality practice agendas are incorporated in the firm and Assurance business strategies, and are part of all leadership meetings.

The governance and leadership bodies and roles within PwC Thailand:
- Oversight Board, which acts as our governance board
- CEO and Country Senior Partner roles
- Management Board, which is the CEO's management team, and
- our partners.

Oversight Board

The Oversight Board currently comprises four partners elected by a majority of the firm's partners. To maintain the independence ofthe Oversight Board, the CEO is not allowed on the board but can attend meetings as an observer. The Oversight Board is responsible for the firm's governance and oversight, and for giving input to support and monitor firm strategies.

CEO and Country Senior Partner roles

Sira Intarakumthornchai is the firm's CEO and the Country Senior Partner. His role is to lead the partners and their teams, and to manage the firm, including setting its short-and long-term strategic direction. In his role as Country Senior Partner, he's responsible for making partner equity decisions. The CEO is elected by the firm's partners for a term of four years. Sira has been CEO since 1 July 2012. The CEO is ultimately responsible for the firm's risk management, quality, and independence matters. He develops processes and structures to ensure strategies are reviewed thoroughly, associated risks are identified, and appropriate internal controls are implemented to manage the risks. Sira's other responsibilities include appointing the Management Board and other management positions, and advising on the firm's organisational structure and on partners' duties and responsibilities.

Sira Intarakumthornchai
Firm level
CEO
Management Board Member

Chanchai Chaiprasit
Assurance level
Assurance Leader
Assurance Leadership Team

Pisit Thangtanagul
Firm level
Firm-wide Risk & Quality Leader
Management Board Member

Assurance level
Assurance Risk & Quality Leader
Assurance Leadership Team

The five other Management Board members comprise leaders in the following business units/functions:

- Tax & Legal
- Deals
- Consulting
- Markets
- Human Capital

The six other Assurance Leadership Team members:

- Finance and Admin
- Markets
- Human Capital (Firm-wide/Assurance)
- Risk Assurance
- Resource Planning

Figure 1: PwC Thailand leadership structure

Management Board

Our Management Board is responsible for setting broad business objectives and ensuring compliance with PwC policies.

Partners

Our partners' governance duties, which are exercised through a partner vote:

• electing and removing the CEO and members of the Oversight Board
• approving or rejecting partner candidates
• providing recommendations or proposals to remove partners from the firm, and
• proposing amendments to the firm's partnership agreement.

1.2.2 Quality support team

Quality Committee

We set up our Quality Committee more than ten years ago to oversee quality control. It consists of functional area lead partners in Assurance. The Committee meets regularly to 1) monitor quality control system operations, 2) initiate remedial actions to address exceptions and deficiencies in audit quality, 3) report on significant audit quality matters, and 4) provide recommendations on quality enhancement initiatives to the Assurance Leader and Risk & Operation Leader.

The leaders and managers of the following functions provide support to the committee:

• Accounting Consulting Services
• Methodology & Technology
• Risk & Quality
• Human Resources
• Learning & Development
• Resources Planning
• Auditor Reporting Group
• US Capital Market

Our global resources

We have

250,000

people committed to delivering quality in assurance, advisory and tax services.

Staff numbers globally and in Thailand

	Globally	Thailand
Partners	11,404	53
Client services staff	200,853	1,622
Practice support staff	38,673	326
Total	**250,930**	**2,001**

Figure 2: Number of staff

Risk & Quality

The Risk & Quality (R&Q) team supports the firm's leadership with managing risk and quality matters, and assists engagement teams with compliance, independence, and quality matters.

The team advises on managing risks, to maintain consistent quality and comply with professional standards, laws, regulations, and policies, while achieving business objectives.

R&Q provides risk management services, internal legal counsel, independence and quality monitoring program at both firm-wide and line-of-service levels.

The R&Q team comprises one part-time partner, twelve full-time dedicated directors, senior managers, managers, and supervisors. Five full-time administrators support the team. The R&Q leader reports directly to the CEO, the Management Board, and the lines of service leadership team. R&Q is on the agenda of all leadership meetings.

Methodology & Technology

In Thailand, we've established a full-time audit Methodology & Technology (M&T) team led by the Implementation Partner and supported by five Methodology and four Technology team members. The Methodology team provides updates on new developments in auditing, consults on methodology related issues, and supports practice staff's observance of PwC's audit methodology. The Technology team acts as help-desk support for our auditing software.

The Methodology & Technology team's aim is to continuously improve overall audit quality, simplify processes wherever possible, and maintain trust. The team endeavours to successfully meet and surpass the minimum audit quality standards set by the PwC network and local requirements. Methodology & Technology's main responsibilities include:

• implementing audit methodology and technology,
• launching training materials based on PwC's global materials for methodology content, and customising them to local needs in respect of local practical issues and real cases,
• communicating new and updated policies, procedures, and methodologies and keeping ours up to date
• addressing methodology and technology issues, and
• doing engagement reviews to identify and improve audit quality and efficiency.

Accounting Consulting Services

To manage the complexity of financial reporting standards, it's important that our clients receive clear and consistent advice. Our Accounting Consulting Services (ACS) team provides internal and external support and guidance on accounting treatments of complex issues, training on accounting standards, and

reviews of financial statement's compliance with financial reporting standards.

The ACS team comprises two partners, one director, four senior managers, and one manager.

US Capital Markets

We have a dedicated team of professionals who provide advice on cross-border listings, regulatory regimes, and business processes to help clients master cross-border transactions, and to help PwC teams respond to local listing matters.

The team also provides support and advice on:
• US Generally Accepted Auditing Standards (GAAS) and Public Company Accounting Oversight Board (PCAOB) standards,
• global policies on US GAAS and PCAOB reporting,
• PCAOB standards updates, and
• US GAAS and Generally Accepted Accounting Principles (GAAP) training.

Auditor Reporting Group

Our Auditor Reporting Group consults on new enhanced auditor report requirements and reviews the key audit matters (KAM) in our audit opinions to ensure they comply with Thai Standards on Auditing and PwC audit methodology.

Auditor Reporting Group partners, directors, and senior managers work with audit engagement teams and help them with modified assurance reports.

2

PwC Audit

"Our audit methodology provides the framework to enable PwC member firms to consistently comply, in all respects, with applicable professional standards, regulations, and legal requirements."

PwC Audit

As a member of the PwC network, PwC Thailand has access to and uses PwC Audit, a common audit methodology and process. This methodology is based on the International Standards on Auditing (ISAs), with additional PwC policy and guidance provided where appropriate.

PwC Audit policies and procedures are designed to facilitate audits conducted in compliance with all ISA requirements relevant to each individual audit engagement.

Our audit methodology provides the framework to enable us to consistently comply, in all respects, with applicable professional standards, regulations, and legal requirements.

The PwC Audit Guide explains PwC's methodology. The Guide and our technology-based audit support tools, templates and content support engagement teams in conducting assurance and related services engagements.

Aura

Aura is the technology platform that powers PwC audits and supports our Assurance practices. It integrates a broad range of capabilities, including built-in tools, to promote audit quality, consistency, and ease of documentation.

Aura integrates with a variety of other tools and applications, creating one work space for client work.

Our audit work is planned, executed, and documented using Aura. This supports our teams in applying our methodology effectively by creating a transparent connection between identified risks and the work to address those risks, and comprehensive project management capabilities.

2.1 PwC Audit
Developing technology

We continue to invest in audit technology that builds quality into the audit and enhances our ability to provide insights to our clients. Our technology is built and implemented globally ensuring consistency across the PwC Network.

These new tools enhance audit quality and efficiency through automation, connectivity and mobility, including:

- **Aura Mobile** is the mobile version of Aura, providing critical functionalities to users on the go, anytime and anywhere. Engagement teams can easily monitor the status of engagement task using the enhanced dashboard, review EGAs, and manage Coaching Notes, including dictating them with voice to text capabilities.

- **The Connect Suite** is our collaborative workflow tools providing fast, efficient and secure information sharing with our clients and multilocation audit teams at every stage of the audit:

  - **Connect** monitors the status of requests and information between our clients and the engagement team on a real time basis. Connect provides visibility for both our clientsand us to be able check progress through a consolidated dashboard showing allsites, a digitisation of engagement matters, and automated key performance indicators.

  - **Connect Audit Manager** streamlines, standardises and automates group and component teams' coordination for multi-location and statutory regulatory audits. Connect Audit Manager provides a single digital platform to see all outbound and inbound work and digitises the entire coordination process, providing greater transparency, compliance and quality for complex multi-location audits.

- **Halo** is our new data auditing suite of tools which allows us to identify and assess risks and determine where to focus audit efforts. The analytical and visualisation capabilities allow us to analyse patterns

and trends, identifying unusual and high-risk transactions providing invaluable insight to both ourselves and our clients. Halo comprises of three key components – acquisition of client data, transformation of data and automated testing and analysis of data. For example, Halo for Journals allows engagement teams to gather all journal entries and utilise built-in functionality to apply engagement-specific criteria designed to focus testing on the higher-risk entries.

- **Count** is an electronic portal that facilitates the end-to-end process for inventory counts, allowing our engagement teams to createand manage count procedures, enabling counters to record results directly onto their mobile device or tablet, and allowing engagement teams to export final results into Aura. Engagement teams with multiple locations benefit from the ability to standardise instructions and manage results through a single portal.

- **PwC's Confirmation System** is a web-based application whereby third-party confirmations can be securely created, sent, responded to and managed end-to-end. It includes flexible technology that works for virtually all confirmation types and provides detailed real-time status of confirmation activity.

Supervision and review throughout the audit

The engagement leader and audit manager supervise the audit, review the work done, coach the team and maintain audit quality. Our Aura software helps team members track their progress to make sure all work is completed and reviewed, and all matters have been addressed. This enhances the audit experience for our teams and our clients.

2.2 Commitment to quality

Our commitment to quality starts from the top. Our partners must include audit quality objectives in their annual plans and set KPIs to measure achievement.

Recognition and Accountability Framework

We follow the PwC Recognition and Accountability Framework, which includes KPIs and sanctions that impact partners' performance evaluations and remuneration. It also rewards positive quality.

The framework applies to partners, associate partners, signing directors and key management roles. It supports our leadership in their responsibility to help meet our quality standards.

Failure to meet quality objectives can result in performance income cuts and other consequences, up to the revoking of signing rights.

Every year, our Assurance leadership team updates, approves, and communicates the framework.

Risk & Quality KPIs

Staff are responsible for R&Q KPIs depending on their grade. They must follow guidelines and face punitive actions for non-compliance.

Quality awareness

Quality awareness channels include:

• Face-to-face sessions with partners and managers through quarterly update sessions and town hall meetings

• Learning and development programmes, such as the Assurance core curriculum, training programmes provided to partners, methodology workshops, and annual R&Q training

• Webcasts and eLearning courses

• Periodic alerts, emails, and communication from our leaders

Global audit quality enhancement initiatives

Over the last three years, the PwC network has initiated a quality enhancement process involving four strategic quality initiatives (Figure 3). The overall objective is to support member firm activities and drive continuous improvement of Assurance quality across the network.

Strategic quality initiatives:
1. Root cause analysis
2. Real time assurance
3. Audit quality indicators
4. Accountability framework

Root cause analysis

Facilitating a more meaningful and robust RCA process that's consistent and scalable across the PwC network, to enhance member firms' ability to identify and remediate thematic issues through developing actions tailored to address root causes that can be monitored for effectiveness.

Real time assurance

Our Real Time Assurance (RTA) programme provides an effective and efficient process and tools for monitoring and supporting audit quality, leveraging current technology opportunities. The programme is scalable to suit the individual needs of PwC member firms.

Figure 3: Strategic quality initiatives

Accountability framework

Our accountability framework is reassessed and revised as necessary to provide specific guidance in line with the expectations of our Global Assurance Leadership.

Audit quality indicators

Using AQIs and an appropriate trend analysis provides valuable insights into factors related to audit quality and supports early identification of potential risks to quality. They also contribute to effective monitoring of quality management system monitoring.

Global audit quality enhancement initiatives (continued)

These initiatives work together to create a powerful framework for identifying areas where quality issues may arise, establishing a standard process to understand and document underlyingroot causes of quality issues, formulating responsive quality improvement plans, and setting the right incentives to achieve a high-quality and appropriately measured response to deficient quality issues.

Our top priorities for improving quality are:
1. developing audit quality indicators,
2. involving quality review partners (QRP) on higher risk engagements, and
3. always consulting and seeking help.

2.3 Compliance with ISQC 1

PwC network firms' quality control systems follow the International Standard on Quality Control 1 (ISQC 1) 'Quality Control for Firms that Perform Audits and Reviews of Financial Statements and Other Assurance and Related Services Engagements' issued by the International Federation of Accountants (IFAC).

In Thailand, this standard is reflected by Thai Standard on Quality Control 1 (TSQC 1) issued by the Federation of Accounting Professions of Thailand. This standard requires that we have a quality control system over our Audit practice that controls our day-to-day activities.

Our leadership works to ensure that our quality control environment, policies, system, and processes covered in this report comply with TSQC 1 and all applicable regulations.

Our compliance with the quality standards is regularly evaluated through reviews and inspection programmes, both within the firm and under regulator inspection programmes.

Quality control elements of ISQC 1

Leadership responsibilities for quality within the firm

Human resources

Engagement performance

Ethical requirements

Acceptance and continuance of client relationships and engagements

Monitoring

Figure 4: ISQC 1 components

Quality Management for Service Excellence Framework

Delivering services of the highest quality is central to our purpose and our assurance strategy, focussing on strengthening trust and transparency with our clients, capital markets and wider society. Through the Quality Management for Service Excellence (QMSE) Framework, the PwC network has established clear objectives for Assurance quality to support member firms in achieving our strategy.

QMSE, which was rolled out across the network in 2019, integrates quality management into business processes and the firmwide risk management process. The framework introduces an overall quality objective for the Assurance practice and underlying quality management objectives.

The overall quality objective includes having the necessary capabilities in our organisation and requiring our people to consistently use our methodologies, processes and technology to deliver services effectively and efficiently, fulfilling the expectations of our clients and other stakeholders.

Our quality management system is designed and operated so that these objectives are achieved with reasonable assurance.

2.4 Audit quality indicators

Our audit quality indicators (AQIs) in Figure 5 are part of our four strategic quality initiatives. We use them to monitor and measure quality at both the firm and individual levels.

They help partners understand their responsibilities, and their performance in each area is reported on a quarterly or annual basis.

The AQIs and a quality risk analysis are regularly reported to Assurance leadership and our Quality Committee.

Highlighted results		Highlighted results	
1. Direction and supervision – partner, manager and QRP hours		10. Skills	
2. Years of experience	**5**	10.1 Training course completion rate	**100%**
3. Staff turnover rate	**25%**	10.2 Continuing professional education (CPE) hours for IIA certification	**100% compliance**
4. Management-to-staff ratio	**1 to 4.4**	10.3 Non-attendance at training courses	**0%**
5. Internal and external inspection results		11. Motivation	
6. Independence		11.1 People Engagement Index rating	**72% (-5 from 2018)**
6.1 Independence testing results	**No external breaches identified**	11.2 Partners' quality performance ratings	
6.2 Independence requirement compliance		12. Risk analysis before engagement acceptance	**<1% non-compliance**
6.3 Independence training	**100%**	13. Audit engagement planning sign-off on time	**2.2% exception rate**
7. Total and average staff training hours	**90,382 total hours Avg. hours per person = 83**	14. Audit engagement completion sign-off on time	**0.7% exception rate**
8. FTE in technical resources	**26.2**		
9. Availability			
9.1 New hire recruitment			
9.2 Staff utilisation rate		Figure 5: Audit quality indicators and highlighted results	

Quality risk analysis is an essential part of establishing an effective quality management system, and AQIs provide a tool for monitoring the effectiveness of the our quality management system. Appropriate AQIs and a meaningful analysis can provide valuable insights into the audit quality factors.

With growing demand for increased transparency and quality information on a network basis, both from regulators and the general public, AQIs assist in communicating our views on quality to stakeholders: audit committees, capital markets, and the general public.

We encourage positive behaviour in accordance with these indicators, and they give us early notice of where to look for potential issues.

2.5 Review and consultation
Quality review partners

Quality review partners (QRP) support higher risk work, such as engagements with listed entities, high-profile clients, and clients preparing for initial public offering. The Assurance Leader appoints QRPs with the agreement of the Assurance Risk Management partner.

QRPs must have sufficient technical knowledge, industry expertise, time, and authority. They must be able to objectively evaluate the engagement team's significant judgements and conclusions. First-time QRPs are required to complete mandatory QRP training before taking on the role.

QRP involvement in engagements is monitored through our monitoring programme and regularly reported to overseeing partners.

QRPs have access to real-time and hot-file review findings, which allowsthem to monitor audit quality and follow up on issues with audit teams.

Always seeking help, always consulting

Reviewing work and consulting with appropriately qualified people before engagement delivery improves the quality of service and reduces risks. Consultation is one of PwC's fundamental strengths.

We take great effort to create a consulting culture where our people are encouraged to talk to others whenever they're in doubt.

Consultation not only means getting advice from other team members, but also seeking advice from experts within the firm or the PwC network to improve client service or resolve difficult or contentious matters.
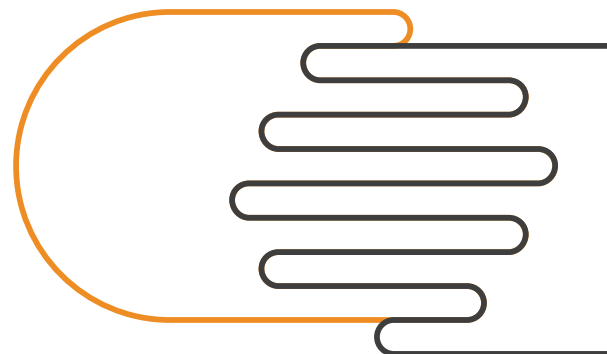
We've developed internal databases that allow our teams to get the consultation they need. They also allow our internal technical experts to respond to and monitor the progress of enquiries they receive.

Technical panel support

Engagements involving complex issues may require the support of a technical panel of experienced client-facing partners, technical experts, and in some cases, specialists in audit or industry areas.

Engagement partners and leaders consult a technical panel when issues of major importance affecting a client or the firm arise or a difference of opinion cannot be resolved. Panel decisions are binding upon engagement leaders.

We stress setting up technical panel consultations in an early enough stage in the audit process to effectively address risks to our clients or the firm.

Accounting Consulting Services

Engagement teams work closely with Accounting Consulting Services (ACS) on significant accounting issues to arrive at a solution that is acceptable under the financial reporting framework. If opinions are unresolved, a technical panel discussion is organised. PwC Thailand is able to get support from specialists from our Global ACS Group for cross-border engagements and multinational clients.

PwC Network Standards

Our PwC Network Standards apply to all network firms and cover integrity, objectivity and ethics matters, namely ethics and business conduct, independence, anti-money laundering, anti-trust/anti-competition, anti-corruption, information protection, firm and partner taxes, sanctions, internal audit, and insider trading.

Because of the wide variety of situations that our professionals may face, our Standards provide guidance for a broad range of circumstances, but all with a common goal – to do the right thing.

Partners and staff must uphold and comply with these standards and PwC Thailand leadership monitors compliance.and comply with these standards and PwC Thailand leadership monitors compliance.

We take compliance with these standards seriously and embrace not just the letter but the spirit of the requirements. All partners and staff have regular mandatory training, which includes post-course assessments as necessary. They must also submit annual compliance confirmations as part of our system to support understanding of the requirements of the standards.

PwC Thailand's reputation and success depend on the professionalism and integrity of every partner and employee. All partners and staff are expected to uphold and comply with the standards developed by the PwC network and PwC Thailand.

2.6 Ethical requirements

At PwC, we adhere to the fundamental principles of the International Ethics Standards Board for Accountants (IESBA) Code of Ethics for Professional Accountants, which are:

a. integrity – to be straightforward and honest in all professional and business relationships

b. objectivity – to not allow bias, conflict of interest or undue influence of others to override professional or business judgements

c. professional competence and due care – to maintain current levels of professional knowledge and skill and act diligently and in accordance with applicable technical and professional standards

d. confidentiality – to respect the confidentiality of information from professional and business relationships and not disclose any such information to third parties without proper and specific authority (unless there is a legal or professional right or duty to disclose) nor use the information for the personal advantage of the professional accountant or third parties

e. professional behaviour – to comply with relevant laws and regulations and avoid any action that discredits the profession.

Upon hiring or admittance, all staff and partners of PwC Thailand are provided with the PwC's Global Code of Conduct. They are expected to live by these values during their professional careers and must report and express concerns fairly, honestly, and professionally when dealing with a difficult situation or when observing behaviours inconsistent with the Code. Each firm in the PwC network provides a mechanism to report issues. There is also a confidential global reporting option on pwc.com/codeofconduct.PwC Thailand has adopted an accountability framework to help correct behaviours that are inconsistent with the Code of Conduct.

PwC's Code of Conduct is available online for all internal and external stakeholders @ pwc.com/ethics.

Ethics and business conduct programme

Upon joining PwC, new staff members must attend a briefing session, and they are also reminded about ethical behaviours periodically throughout the year. All staff and partners are expected to abide by the values expressed in the code during the course of their PwC careers. Our staff can report misconduct through the Speak Up programme.

Our Speak Up programme is an upward reporting mechanism for addressing employee complaints and allegations. Here they can report inappropriate behaviour and noncompliance with professional, regulatory, and legal requirements set out under our PwC Global Code of Conduct and PwC Thailand policies and guidelines.

The firm provides many channels through which staff can Speak Up; anonymous Speak Up boxes, a secured email account, and nominated people such as Ethics Champions, an Ethics officer and any of the Ethics and Business Conduct Committee members.

We protect those who raise concerns from retaliation. Complaints and allegations are kept confidential and discussed with others only as needed or advisable under the circumstances. Incidents are addressed by the Ethics Officer, and if unresolved, are addressed by the Ethics and Business Conduct Committee. This committee is comprised of nominated partners and led by a senior partner on the management board appointed by PwC Thailand.

PwC Code of Conduct expectations

Speak up
Speaking up when something doesn't seem right demonstrates our integrity and that we have the courage to do the right thing.

Build trust in how we do business
Whatever our professional background is, we behave with integrity and adhere to, and are guided by, the applicable professional standards.

Build trust with each other
Trust begins with each of us treating each other with care, courtesy, dignity, fairness, and respect. We encourage collaboration across territories and around the PwC network. Trust is key to this collaboration, as it helps us to more effectively work with our colleagues and serve clients.

Build trust in our communities
We further our contribution to society by using our professional expertise, skills, and experience to help solve important problems, including those related to ethics, integrity, and trust – issues central to fostering a sustainable and inclusive global economy.

Build trust in how we use information
We respect the privacy and confidentiality of information of our clients, our people, and others with whom we do business.

Figure 6: PwC Code of Conduct expectations

2.7 Independence and Risk management
Independence

As auditors of financial statements and providers of professional services, PwC Thailand and our partners and staff are expected to comply with the fundamental principles of objectivity, integrity and professional behaviour. Compliance with these principles is

fundamental to serving capital markets and our clients, and underpins our service to our assurance clients.

PwC Thailand follows PwC Global Independence Policy, which is based on the IESBA International Code of Ethics for Professional Accounts, complemented by more restrictive local professional and regulatory rules when necessary.

Independence policies and guidance are reviewed and revised regularly and when needed.

Our Network Risk Management Policy governs independence requirements for rotation of key audit partners.

Independence policies and practices

The PwC Global Independence Policy covers, among others, the follow areas:

• Personal and firm independence, including policies and guidance on the holding of financial interests and other financial interests such as bank accounts and loans by partners, staff and the firm.

• Non-audit services and fee arrangements. The policy is supported by Statements of Permitted Services ("SOPS"), which provide practical guidance on the application of policies.

• Business relationships, including policies and guidance on joint business relationships such as joint ventures and joint marketing, and on purchasing of goods and services acquired in the normal course of business.

These policies and processes are designed to help PwC comply with relevant professional and regulatory standards of independence that apply to the provision of assurance services.

Independence related tools

As a member of the PwC Network, PwC Thailand has access to a number of systems and tools which support us in executing and complying with our independence policies and procedures:

- the Central Entity Service, which assists in determining the independence status of member firm clients before entering into a new non-audit engagement or business relationship,

- the Independence Checkpoint, which facilitates the pre-clearance of publicly traded securities by all partners and practice managers before acquisition, and records their subsequent purchases and disposals. When a PwC member firm wins a new audit client, this system automatically informs those holding securities in that client ofany requirement to sell,

- Authorisation for Services, which is a global system that facilitates communication between a non-audit service engagement leader and the audit engagement leader, documenting the potential indepen-dence threats andproposed safeguards, and acts as a record of the audit partner's conclusion on the permissibility of the service, and

- the Global Breaches Reporting System, which is designed to be used to report any breaches of external auditor independence regulations.

PwC Thailand also has systems for local use that support our independence and client acceptance processes, such as our relationship-checking database and our Anti-Money Laundering Client Due Diligence System.

Independence training and confirmation

PwC Thailand provides all partners and staff with annual and on-going training in independence matters. Training typically focusses on milestone training relevant to a change in position or role, changes in policy or external regulation, and, as relevant, providing services. Partners andstaff receive computer-based training on our independence policy and related topics. Assurance practice managers andpartners receive face-to-face training from our independence specialists at least annually.

All partners and practice staff must complete an annual compliance confirmation, whereby they confirm their compliance with all aspects of the firm's independence policy,including their own personal independence. All partners confirm that all non-audit services and business relationships for which they are responsible comply with policy and that the required processes have been followed in accepting engagements and continuing relationships. These annual confirmations are supplemented by periodic and ad-hoc engagement level confirmations.

Partner responsible for independence

We have a designated partner responsible for independence (PRI) with appropriate seniority and standing to perform the roles and responsibilities set out in Figure 7.

Our PRI reports directly to our Management Board and is supported by a dedicated team of independence specialists within our Risk & Quality practice. They are fully knowledgeable about independence matters and compliance with independence rules and regulations.

PRI roles and responsibilities

1. Implementing the PwC Global Independence Policy and US SEC independence rules and their procedures, systems, and controls

2. Ongoing training and promotion of independence policies to partners and staff

3. Monitoring compliance with independence policies

4. Embedding an appropriate 'tone at the top' and culture of independence

5. Consulting on independence issues with client services teams

6. Enforcing disciplinary policies and processes for noncompliance with independence policies and procedures

7. Setting compliance activities and remedial actions

Figure 7: PRI roles and responsibilities

Independence monitoring

As part of our independence monitoring process, we have in place:

- compliance testing of independence controls and processes

- personnel independence compliance testing of a random selection of partners and managers, and

- an annual assessment of the firm's adherence with the PwC Network's independence standards.

Violations and disciplinary actions

Our independence policies and processes require that we report and address all breaches. Partnersand staff can be subject to financial sanctions or other disciplinary actions if they are in breach.

Addressing possible violations can involve discussion with the client's audit committee regarding the nature of the breach, and evaluations of the impact of the breach on the firm's independence and the need for safeguards to maintain objectivity.

Investigation

Although most breaches are minor and attributable to an oversight, all breaches are taken seriously and investigated as appropriate. Investigation of a breach serves to identify the need for improvement of our systems and processes and for additional guidance and training.

PwC net promoter score

Results from the 2019 PwC client feedback survey that had over 100 respondents,

Q: How likely are you to recommend PwC to your colleagues?

0=Not at all, 10=Very likely

9%

Detractors
(Scores of 0–6)

41%

Passives
(Scores of 7–8)

50%

Promotors
(Scores of 9–10)

Half of all participants say they're likely to recommend PwC to their peers.

Figure 8: PwC net promoter score

2.8 Acceptance and continuance processes

Client and engagement acceptance and continuance processes

Our principles for determining whether to accept a new client or continue serving a client are fundamental to delivering quality. We believe this goes hand-in-hand with our purpose to build trust in society.

Our policies and procedures for acceptance of client relationships and audit engagements cover whether we

• are competent to perform the engagement

• have the necessary capabilities, including time and resources

• can comply with relevant ethical requirements, including independence, and

• have appropriately considered the integrity of the client.

We reassess these considerations to determine whether to continue with the client engagementand have policies and procedures for withdrawingfrom an engagement or a client relationship when necessary.

These processes are based on the PwC network's proprietary Acceptance and Continuance (A&C) decision support systems for audit clients. A&C supports engagement teams and business management and risk management specialists. It helps them in determining whether the risks related to a client or potential client are manageable, and whether PwC should be associated with the client and its management.

Insider trading

Insider trading violates legal and regulatory requirements, damages our brand and reputation, and may involve professional and criminal penalties.

Our insider trading policy prohibits PwC personnel and others associated with PwC from becoming involved in trading insider information, or associating with those who do. The policy's disciplinary process applies regardless of the circumstances of how a person becomes aware of the insider trading, or whether insider information actually influenced the person's decision to buy or sell a security.

This policy is regularly communicated to our partners and staff across the firm. Severe sanctions are imposed for any violation or noncompliance.

3

Our people

"We recognise that our people are our greatest asset, and that they are our competitive advantage."

Our people

3.1 The PwC Professional – PwC's leadership framework

We recognise that our people are our greatest asset, and that they are our competitive advantage. To support them in their career journey, we follow the PwC Professional, which is our global framework to help accelerate and enrich our people's development and set our brand apart.

The PwC Professional framework is designed to help us achieve the skills and capabilities to be consistently outstanding.

To really stand out and stay competitive in a constantly changing world, we need to offer more than technical competence. Crucial attributes we want our people to demonstrate are leadership, an awareness of the business environment at local and global levels, and the ability to develop business relationships. We need to be a leader who inspires others and who can lead clients, teams, and others through change.

To support our business strategy, we use this simple global leadership framework to recruit, develop, and assess our people. It is the benchmark for our annual performance reviews, and it is the foundation for our training and coaching initiatives.

3.2 Getting the right people

We're always on the lookout for the right people, and we look to our PwC Professional framework to provide guidance in our selection criteria. We look forward to developing our new hires' technical and soft skills from day one.

Our graduate recruitment process starts with our recruitment roadshow where we talk to top-tier university students about PwC careers. Each year, we have over 1,200 applicants,and we invite about 500 qualified candidates into the selection process. The process includes a skills assessment, group exercises, and a panel interview.

In evaluating the candidates' interactions, qualified assessors evaluate competency-based assessment results against the core competencies of the PwC Professional framework. We then invite around 250 successful candidates to join PwC.

1 Sourcing candidates
- Online applications
- Open House event

2 Shortlisted candidates
- GPAX and accounting degrees
- Extracurricular activities
- Internships

3 Assess skills
- English proficiency test

4 Assess interactions
- Group exercises
- Panel interviews

Figure 9: PwC Assurance recruitment process overview

3.3 Learning and development

When people join PwC, their first month involves extensive technical training. We want them to start learning the different aspects of our clients' activities and understand their businesses to identify where our audits canadd insight and value. To ensure they perform perfectly and learn correctly, they work under the close supervision of senior and engagement managers.

We need for them to do audits of the highest quality and transparency. This critical work underpins investor confidence, makes our clients more competitive, and supports the market economy.

At PwC, our staff go beyond the obvious and develop real insights into a client's markets, technology, people, management, and finances. We know that curiosity is key, as is the flexibility, agility, and intelligence to take on new challenges.

The Resource Planning team manages work allocation for each client based on the experience, knowledge and skill of the team members, from engagement partners, engagement managers (manager to director level) to staff. The number of team members is based on the size and working hours of each engagement. This ensures that we have the right resources with sufficient skills and experience on each team.

To maximise consistency across the PwC network, our learning and development curriculum provides courses covering the PwC audit approach, tools, updates on auditing standards and their implications, audit risk areas, and engagement quality.

Learning is delivered using blended channels involving remote access and classroom courses. From day one, we provide continuousprofessional and personal development opportunities designed to be stimulating, challenging, and fun.

This learning system supports our focus on audit quality and provides our practitioners the opportunity to sharpen their professional judgement,cepticism, and technical and professional skills.

PwC fosters a culture of lifelong learning an development based on the 70:20:10 model: 70% experience involving on-the-job training, 20% exposure and exchange involving coaching,and 10% education and training (Figure 10). This approach helps our people stay up-to-date,informed,and highly skilled throughout their career with us.

The 70:20:10 model enables realistic and meaningful progress as our people:

• gain extensive on-the-job learning experience

• embrace coaching as constructive feedback allowing personal growth and inspiration for others' development, and

• continue strengthening both their technical and soft skills.

We want our people to develop and learn from every opportunity, stay open-minded, be intellectually curious, and maintain a positive attitude toward any challenge they face. We want them to be able to demonstrate and maintain their professionalism in every interaction with each other and with clients. These expectations are reflected in the staff development plan and evaluation process.

We provide extensive training courses that help our people perform their roles and achieve expectations. We encourage coaching and mentoring and foster a coaching culture. We embed tips and tools in our in-house and external courses that our people can select from to expand their experience.

70%
Experience
360°feedback • job shadowing • consulting methodology champion roles • Gestalt cycle of experience • public speaking • proactive training

20%
Exposure and exchange
Coaching • mentoring • feedback • role modelling • external networking events

10%
Education
Online • self-paced • seminars • competency testing • technical accreditation • core curriculum • talent and leadership development • service focussed
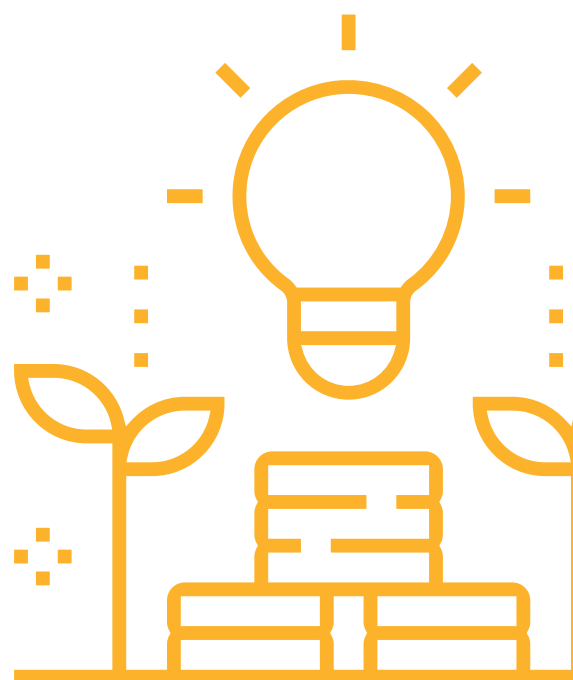
Figure 10: 70:20:10 learning and development framework

Professional training

We design training programmes that are world class, innovative, and forward thinking. Our curriculum comprises mandatory, core, and elective modules. Our Learning & Development leader considers what additional training is appropriate – formal and/or informal – to address specific local needs, such as auditing, accounting, industry,business skills, and language programmes.

Our learning framework is not only designed for technical capabilities, but also other crucial professional attributes. For this, we follow the PwC Professional framework attributes: whole leadership, business acumen, global acumen, relationships, and technical capabilities. We focus more on technical competence for our beginning level staff, and more on the other attributes for senior staff and above.

In our 2019 fiscal year, our development hours totalled approximately 90,382 (2018 fiscal year: 95,323). This is 83 hours per person on average (2018 fiscal year: 81 hours).
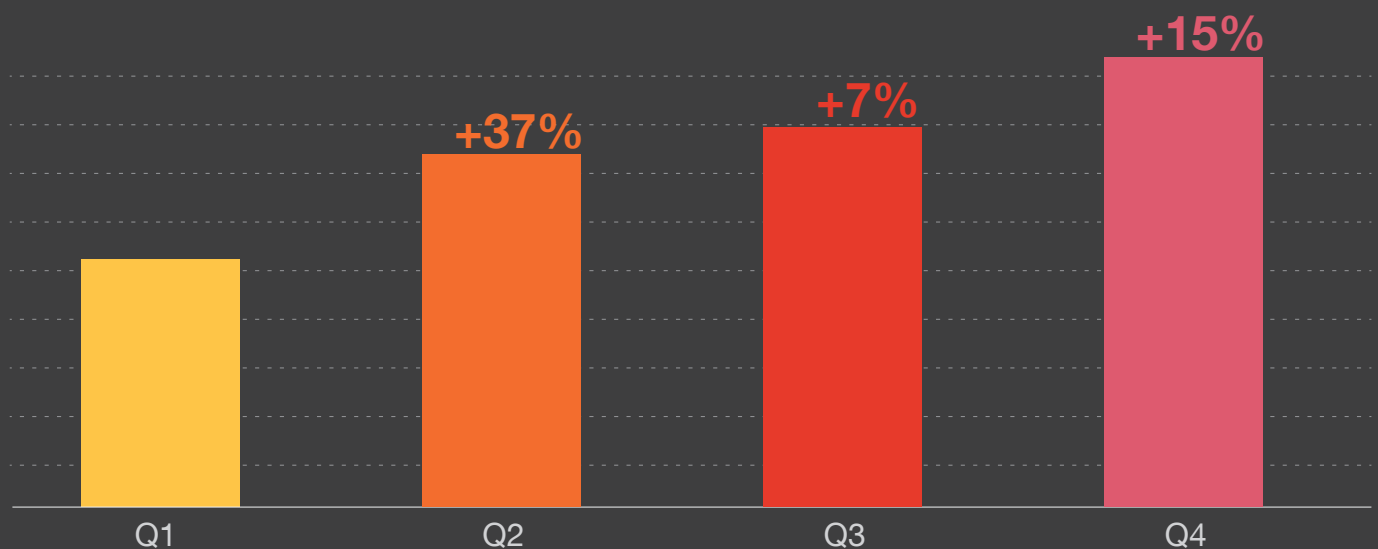
Accreditation and licensing

Certified Public Accountant (CPA)

We support our young professionals in advancing their accountancy career.We're committed to providing the best opportunity for our people to prepare for their tests. We provide CPA test preparation leave and structured tutorial classes to ensure they do their best on their exams.

Certified Information Systems Auditor (CISA)

Our assurance service is not limited to finance and accounting, but also covers information technology and business systems. Audit, control, monitoring and assessment of these technologies require credentialed professionals. We have 68 IT audit professionals and 17 are CISA certified.

Training hour increases by quarter

+37%   +7%   +15%

Q1   Q2   Q3   Q4

CPA holders

31 Aug 2018
203 ➡ 31 Aug 2019
207

Figure 11: Training hours and CPA holders

3.4 Talent management

The firm invests in creating a work environment that values acting with integrity, working together, making a difference, and reimagining the possible to provide a stimulating and meaningful working experience for our people.

Our aim is to maintain a leading position in professional services, so we've established the following tenets for managing talent and PwC Thailand:

- Talent identification – We foster the development of people who have career aspirations aligned with our business direction and goals.

- Talent pipelines – We can readily fill key roles with competent internal candidates to meet our firm's evolving needs.

- Talent pipelines – We can readily fill key roles with competent internal candidates to meet our firm's evolving needs.

- Talent development – We understand our own bench strength and development needs to be ready for future contingencies.

We support our people's career growth beyond their current positions and map talent and develop skills to meet the firm's performance goals.

3.5 Performance evaluation

Our annual performance evaluation is conducted for staff at all levels. We've set clear and useful key performance indicators for staff at each level that are in line with the five attributes of our PwC Professional framework.

Compliance with all risk and quality measurements is mandatory for staff at all levels. The measurements assess whether our people are high quality professionals who are growing and delivering quality work under the clear and transparent metrics at their level.

Annual performance evaluation results are directly linked to rewards and remuneration, and to career advancement opportunities.

3.6 Global People Survey

People are at the heart of our services, and we believe we can only achieve quality work if our people are engaged and happy to be with the firm. To make sure we're responding to our people's needs correctly, we conduct our annual Global People Survey (GPS) across the entire network.

The survey provides a way for staff to contribute their opinions about current and future policies and programmes, and the work environment at PwC. In 2019, 96% of our people took the survey, and our Assurance leaders have set an action plan to address the results. This year, care, work-life flexibility and wellbeing were key topics of interest, so we're now looking at ways to best provide these to our people.

In the survey, we include our People Engagement Index which gauges how our people feel aboutworking at PwC. For this we ask whether they:
- are satisfied with PwC
- are proud to work at PwC
- would recommend PwC to others, and
- plan to be working here for the next 12 months.

Staff well-being

For our 2019 fiscal year, we hired more than 200 new staff in Assurance to fulfil our workload requirements. We also focussed on retention and work-life balance.

We held many activities to address the well-being of our people, such as:

- **clubs** based on our people's interests–people chose sports and photography clubs, which held activities throughout the year

- **well-being days** for which we arranged activities that focus on body and mind well-being and social interaction
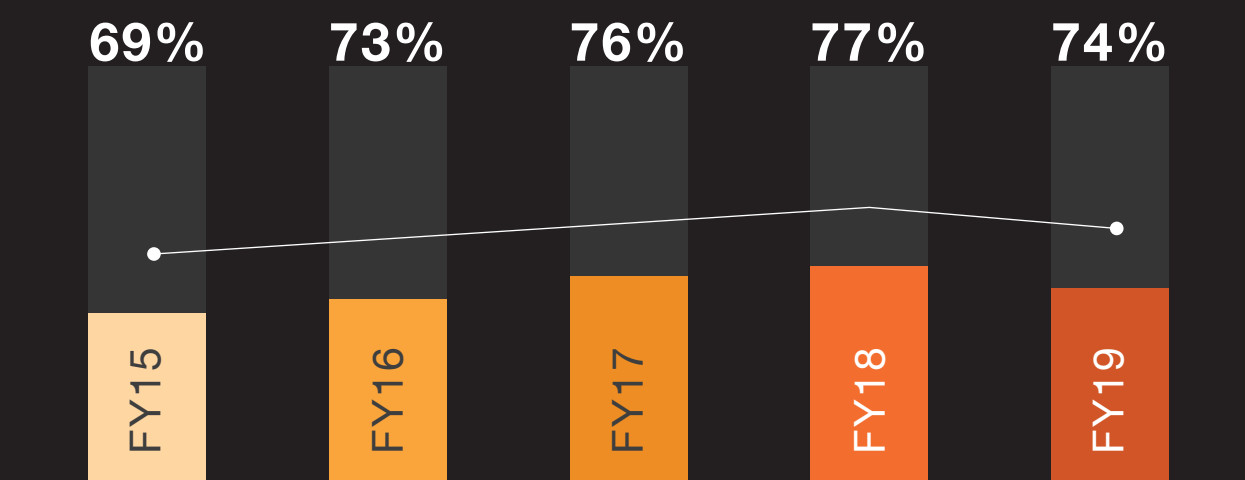
- **outings and events** in whichour people get involved from the planning stage so that we have great input and ideas for successful events that all our people enjoy

- **a flexibility programme** covering attire, time and location of work in a moreflexible approach.

Our engagement index has increased during the last five years and will likely remain steady in the coming year. See 3.6 'Global People Survey' for more information.

We are committed to our people's wellbeing, setting long-term plans for improving our work environment and providing our staff opportunities to grow and achieve their goals.

People Engagement Index ratings

69%	**73%**	**76%**	**77%**	**74%**
FY15	FY16	FY17	FY18	FY19

Highest scores

I am encouraged to try new things and learn from failure.

The people on my team take accountability for the outcomes of their work.

The people I work for support and demonstrate high standards of ethical conduct.

Figure 12: Global People Survey result highlights

4

Quality monitoring processes

"We recognise that delivering quality services is key to maintaining customer, investor and stakeholder confidence in our work. Therefore, quality is always a key element of our Assurance strategy."

Quality monitoring processes

We recognise that delivering quality services is key to maintaining customer, investor and stakeholder confidence in our work. Quality is always a key element of our Assurance strategy.

Our Assurance leadership is responsible for managing quality and setting effective monitoring processes. This includes evaluating whether our Quality Management System policies and procedures are designed appropriately and operating effectively to give reasonable assurance that our audit engagements are performed in compliance with laws, regulations and professional standards.

4.1 Our monitoring programme

Quality monitoring provides our firm leadership insight into the overall quality ofour Assurance practice. Failure to meet performance standards is treated seriously under the firm's Recognition and Accountability Framework (Section 2.2).

Our firm's monitoring procedures includes an ongoing assessment of the design and effectiveness of our QMS and review of completed engagements. The results of these procedures are used to continuously

improve the system. See Figure 13 on the next page for a summary of our monitoring programme.

Global Assurance Quality Review

Our GAQR programme is based on professional quality control standards including the International Standard on Quality Control 1 (ISQC 1). It contains policies, procedures,tools and guidance for all PwC network firms. GAQR is designed to be a consultative and trusted programme that is objective, independent, and risk-based.

All quality reviews are led by experienced Assurance partners, supported by independent teams of partners, directors, and senior managers and other specialists. Review teams receive training to support them in fulfilling their responsibilities, and use a range of GAQR-approved checklists and guidance.

At the PwC network level, GAQR is coordinated by a central team consisting of a GAQR leader and International Team Leaders (ITL) who aresenior partners seconded to the GAQR central team by PwC member firms. The ITLs' oversight and continuous involvement and support enable consistent and effective review performance across the PwC network.

At the practice level, Quality Management Reviews (QMRs) are done at least every three years with updates during intervening periods. QMRs test the effectiveness of the firm's quality control system in functional areas under ISQC 1. PwC Thailand's latest full scope QMR, in 2019, found our Assurance practice continues to be well managed and that leadership sets an appropriate tone at the top about risk and quality. The QMR did not identify any findings on our quality control system.

At the engagement level, Engagement Compliance Reviews (ECRs) are done on significant higher risk engagements and engagements with higher profile clients. ECRs are periodic risk-focussed reviews of completed engagements covering staff who are authorisedto sign audit and non-audit assurance reports. The reviews assess whether engagements are performed in compliance with PwC Audit guidance, applicable professional standards, and other engagement related policies and procedures. All Assurance partners must have at least one of their engagements reviewed every five years.

Real Time Assurance

The key objectives of our Real Time Assurance (RTA) are to:

- evaluate real-time quality improvement on selected engagements

- assist engagement teams with enhancing audit quality, including documentation

- assist engagement teams with compliance with PwC Audit methodology, accounting and auditing standards, and our risk management policies, and

- appraise individual quality performance.

Reviews involve an internal reviewer quality assessment of a selected engagement using an Engagement Compliance Review checklist questionnaire with some local additions. Engagements are selected on risk-based criteria approved by the Assurance leader. These reviews are done on a hot or real-time basis so that teams can remediate findings in a timely manner.

Reviews	Practice unit review	Engagement review
Global/network review programme	• Network Standards (annual) • Quality management review (every three years with an annual update in intervening years)	Engagement compliance review (Review frequency is specified using risk-based approach)
Territory quality review programme	ISQC 1 evaluation (annual)	• R&Q KPIs (quarterly and annual) • Real Time Assurance (annual)
Regulatory reviews /inspections	Regulatory inspections (annual or as notified)	Regulatory inspections (annual or as notified)

Figure 13: PwC quality monitoring programme

All Assurance partners must have at least one engagement reviewed under this programme annually. The review results contribute to evaluations under the Accountability Framework and partners, directors, and managers' R&Q indicators.

External inspections

Both local and foreign regulators have inspected PwC Thailand's Assurance practice over thepast eight years, including the Securities and Exchange Commission of Thailand (SEC) andthe US Public Company Accounting Oversight Board (PCAOB).

Securities and Exchange Commission of Thailand

The SEC inspects PwC Thailand on a regular basis and annually reviews our quality control system and selected engagements. PwC Thailand and its partners are authorised by the SEC to do statutory audit work.

In our latest SEC inspection report issued in January 2018, we retained our overall rating of 'Excellent'. All inspection areas were rated 'Excellent' except for one rated 'Good'.

"A role model for other audit firms."

– Thailand SEC

The Thailand SEC has again awarded us a quality control rating of 'Excellent' from our 2017 inspection.

The inspection report issued in January 2018 cites PwC Thailand as a "role model for other audit firms" as we've consistently maintained an excellent rating for our quality control system.

It states that we achieve this by focussing on developing good control systems, making sure staff consistently follow policy and procedures, and applying SEC recommendations in our Quality Improvement Plan.

The SEC report also commends our tone at the top, stating that our leadership stresses quality and locates sufficient resources.

Because of this, the SEC has put us in their Fast Track Programme for new SEC licences and licence extensions for our partners. The SEC relies on our monitoring processes and results, which accelerates their engagement-level inspection times.

US Public Company Accounting Oversight Board
The PCAOB inspected PwC Thailand in 2010, 2012, 2015 and 2018.

For all past reviews, the PCAOB reported no findings in our inspection reports they publish online. They also found no quality control defects that warranted discussion in the reports.

4.2 Our commitment to continuous improvement
Response to review and inspection results and findings
Quality review results are reported to our firm leadership, who are responsible for analysing the findings and implementing remedial actions as necessary.

If adverse quality issues on engagements are identified, the responsible partner and/or Assurance leadership personnel may be given mentoring, training, and/or financial sanctions in accordance with our Recognition and Accountability Framework (Section 2.2).

Partners and staff are informed of review results and conclusions, and are required to take action to remediate quality performance issues.

The GAQR Leader informs PwC Thailand partners on cross-border engagements about the quality review findings of other PwC firms so that our partners can address them in planning and performing their own audit work.

Root cause analysis
For all identified audit quality issues identified from internal or external inspections, we do root cause analyses to identify solutions andimprovements so that we continuously improve our work.

A primary objective is to identify the best possible environment for our engagement teams to deliver a quality audit. We use analysis resultsto identify learning opportunities we can use in our training and communications.

Root cause analyses of individual audits are done by a review team that is independent from the engagement team. The team assesses technical knowledge, supervision and review, professional scepticism, engagement resources, and training, etc.

The independent review team evaluates engagement information, holds interviews, and reviews audit working papers to understand the factors that may contribute to audit quality issues. Data from audits with and without deficiencies is compared to identify factors that correlate with audit quality levels.

This data includes the hours incurred on the audit, key engagement team members' proximity to the client, number of years key engagement team members have been on the engagement, number of other audits that engagement partners are involved in, whether the engagement was subject to a pre-issuance review, and the timing of the audit work.

Our goal is to understand how high quality audits differ from those with deficiencies anduse this knowledge to continuously improve all of our audits. We evaluate the results to identify enhancements that may be useful to implement across the practice. We believe these analyses contribute significantly to the continuing effectiveness of our quality controls.

Quality Improvement Plan
Based on root cause analysis results, we develop a Quality Improvement Plan that addresses the root causes. The International Team Leader (ITL) provides input on the Plan. It's reviewed and approved by Assurance leaders.

The Quality Improvement Plan is implemented and regularly monitored by the Quality Committee and the ITL, who report progress to the Network Quality Review Leader.

5

Corporate responsibility

"To build trust, we connect with all of our stakeholders. And we address important problems beyond the borders of our business."

Corporate responsibility

Our purpose is to buildtrust in society and solve important problems. This guides our approach to corporate responsibility. To build trust, we connect with all of our stakeholders. And we address important problems beyond the borders of our business. We want to be part of the solution and be a force of change for societal and environmental issues. We work alongside many of our stakeholders in this endeavour, and leverage our acumen to do so.

5.1 What we've done this year
Our people

We want our people to be fulfilled at work and in their personal lives. We've arranged many activities for this purpose, including inspirational talks by famous speakers and authors, a meditation forum, and firm-wide CR activities so people can meet among our nearly 2,000 staff members.

During the year, our partners and people have volunteered and shared their knowledge and experiences at many business and educational forums. Thiswas to help empower SMEs and businesses in the areas that we are specialized in, i.e. sustainability, technology, accounting, finance and internal control improvements. These are part of our aspirations to increase skill-based volunteering activities and help strengthen communities.

Forests, rangers, and communities

This is our seventh year running our annual Support the Rangers, Save the Forest project. Forest rangers in Thailand often risk their lives fighting wildlife trafficking. They do it for the love of the forest and for the country.

We apply our physical, mental, and financial resources to support their work. We build check dams, plant trees, and make food and nutrition resources for wildlife. We provide gear so the rangers are more equipped to protect our national resources. And we work with the nearby community on the areas that need support. These activities are much loved by our staff and we always have far more applicants than spaces.

5.2 Our work in progress

Developing relationships with social enterprises

We're now looking to social enterprises who are making innovative solutions for connecting with those in need through low-cost technology solutions. We want to partner with these innovators to develop projects that share our expertise and skills with people that aren't able to access them. The details of this initiative are being finalised and we're in talks with several social enterprises.
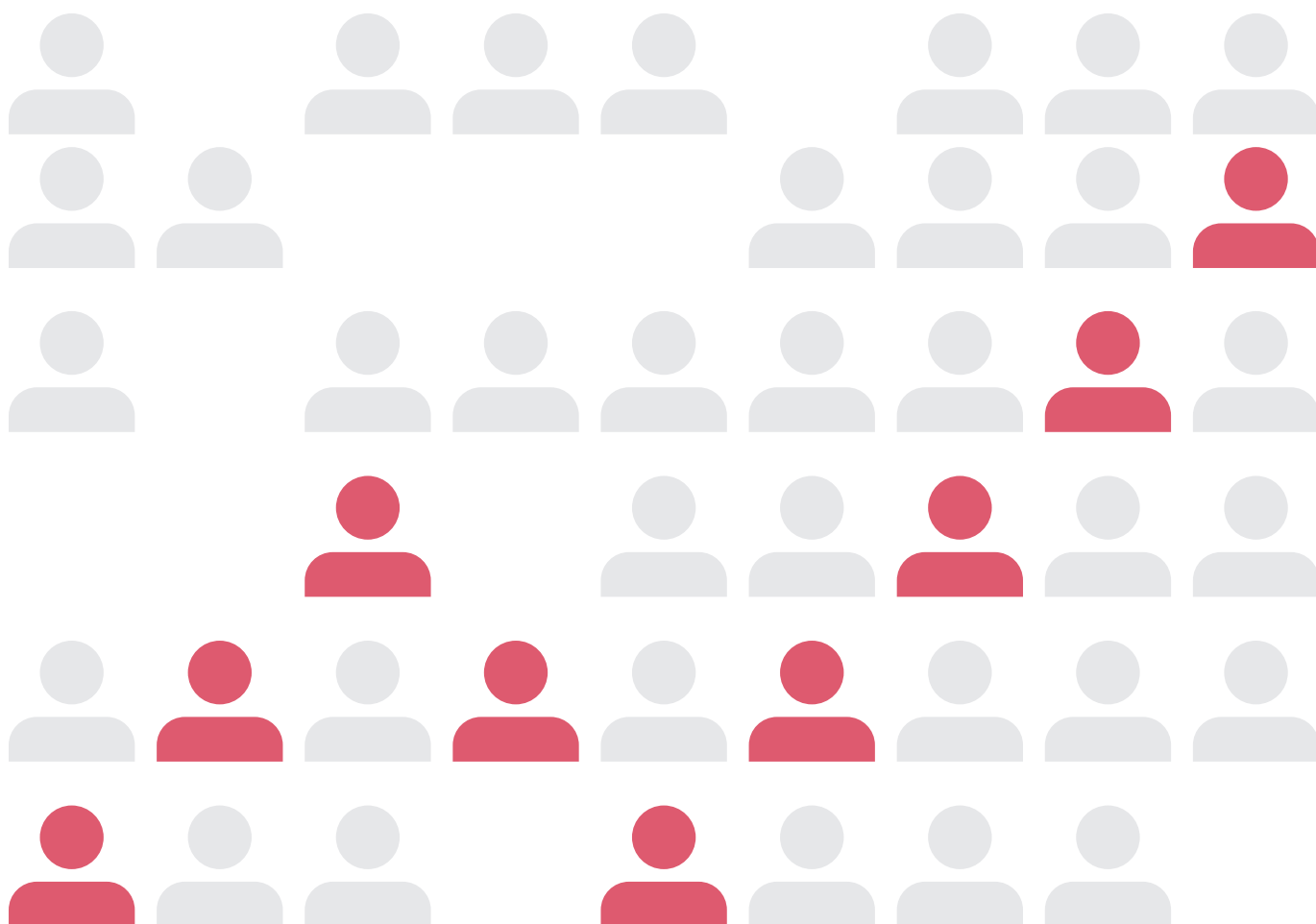
Technology solutions

At PwC, we understand how technology improves processes, and we want to apply this knowledge to solve important problems.

At the moment, we're looking into how we can participate in the sharing and digital economy as a means to reduce resource depletion and environmental damage, and upskill people.

Restore Vision, Run for Sight

PwC Thailand hosted a 4K and 10K charity run to support the purchase of a posterior vitrectomy machine for the Vitreo-Retina Research Unit in the Ophthalmology Department of King Chulalongkorn Memorial Hospital of the Thai Red Cross Society.

We are committed to helping people with retinal detachment to receive prompt treatment and restore their vision.

6

Our plan for the future

"The audit of the future, which delivers both confidence and insight, is now upon us."

Tomorrow's audit

The future auditor

The audit of the future, which delivers both confidence and insight, is now upon us. We cannot and do not underestimate the impact of technology. To get the most out of it, we're focussing on making sure our auditors use technology wisely to enhance efficiency in the way we do our audit in tomorrow's world.

PwC is using technology to improve audit quality and deliver greater insights and better judgement to clients. Making better use of datawill allow us to extract and analyse ever-larger data sets. A data-enabled audit will expose new risks and identify untapped opportunities.

We believe this will be our strength when we're managing the new game-changing challenges that auditors will soon face.

Machine automation

There's much discussion about how machine automation of professional services can, for certain tasks, do jobs faster and better than humans. We believe that our assurance professionals working closely with machines will deliver more beneficial results than either could alone.

Our vision is for machine automation that enables our assurance professionals to provide highest quality services to our clients.

We believe in a future where controls are automated and machines have learned real-time monitoring and on-demand reporting so auditors can make the most sense of the data, select key risks for monitoring, and apply more effective metrics for analysis.

Our clients' futures and expectations

We're seeing our clients change the way they work by exploring how cutting-edge technology can improve quality, efficiency, and customer experiences.

Our clients expect more from our auditors, and they'll expect us to know and understand technological changes and trends affecting them and the way we do our audits.

In response to this, we've started our Digital Fitness initiative, where we test our people's understanding of and interest in technology. This helps us direct our effort to areas that help our clients the most.

Big data and strategy

We're focussed on exploring the possibilities of big data. At PwC, we've established and continue to develop analytical tools that mine big data for new insights and opportunities.

We envision our role will evolve from providing assurance on specific audit areas to one where we apply technology and big-data insights to help our clients create strategic plans for business stability and growth.

Our people and technology

Auditor intuition, formed over years of experience, give us the ability to provide a matchless customer experience. We're proud of the work our people do, but we know that maintaining our level of service means continuously learning and understanding technology as it perpetually evolves.

Our auditors must adapt to a future where we no longer manually manage repetitive tasks. While our work won't be fully replaced by machines, they're one of our of most valuable tools for providing the results our clients expect.

This will require a new range of skills, so we must look for a workforce with wider professional backgrounds. We'll need machine learning engineers, data scientists, and perhaps even psychologists and behavioural specialists – specialisms that the auditors of yesterday could never have imagined.

We're revising our career and development paths of our assurance professionals so they have the skill sets to be successful auditors ofthe future. Our focus is on the attributes of next gen auditors in Figure 14.

To meet future demands, we're making sure our auditors can use technology wisely to enhance efficiency in the way we do our audit in tomorrow's world.

We're excited for the challenges ahead, and we're committed to preparing our people to always be in a position to deliver the best quality assurance services.

Read more: 'Confidence in the future: Human and machine collaboration in the audit' by PwC UK

Figure 14: Next gen auditor attributes

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